

National Film Board of Canada

2011-12

Report on Plans and Priorities

The Honourable James Moore, P.C., M.P.
Minister of Canadian Heritage and Official Languages

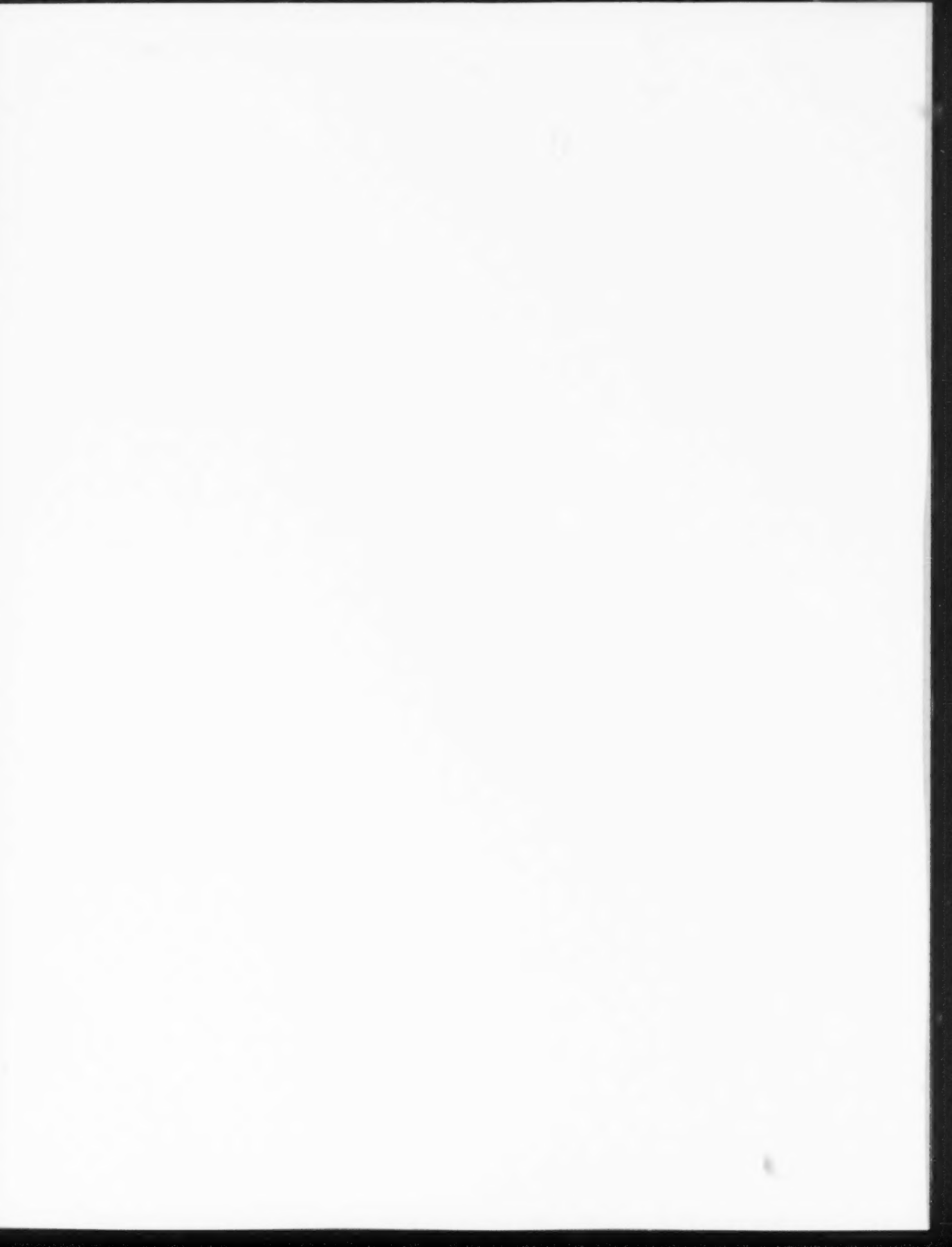
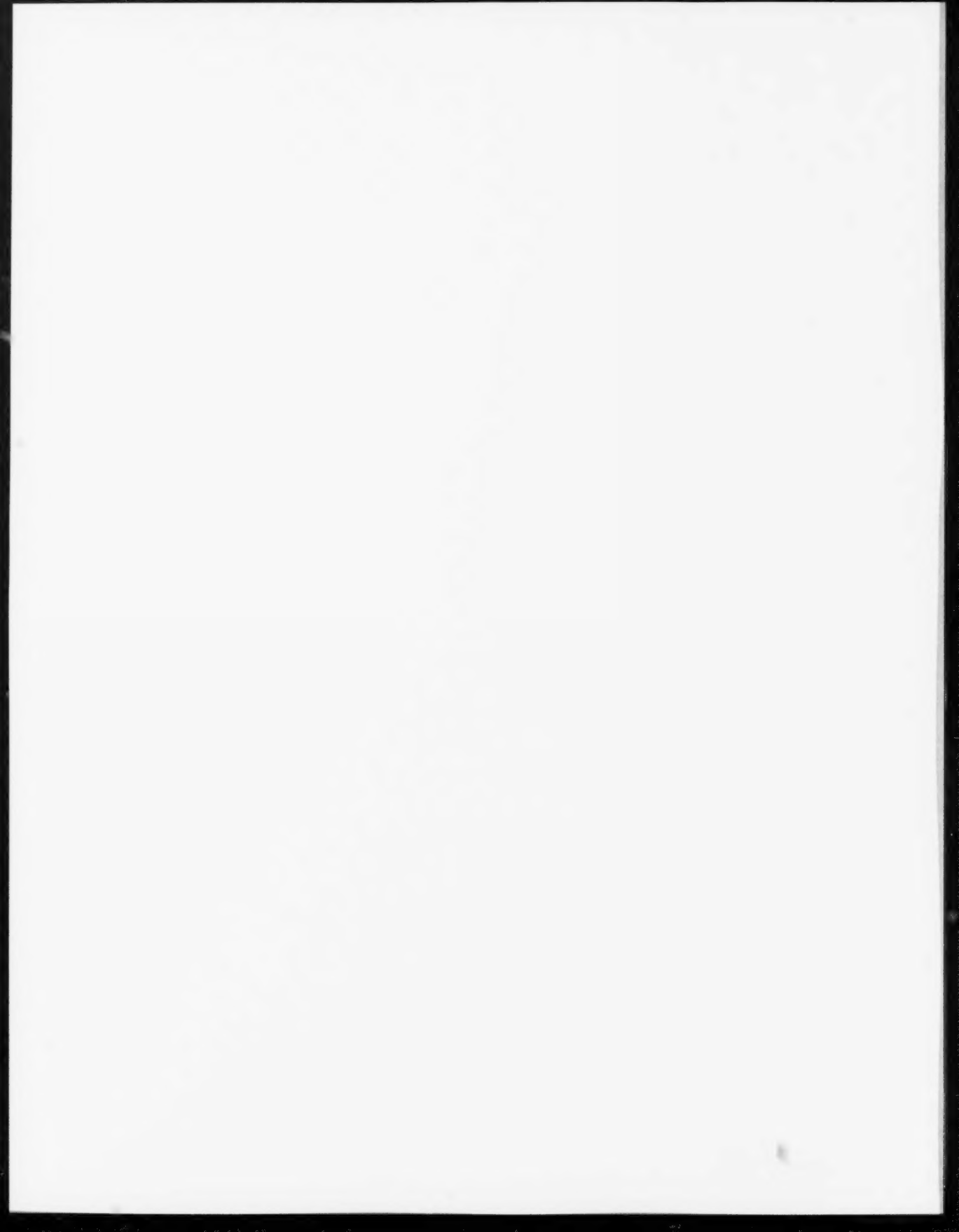


Table of Contents

Minister's Message	3
Commissioner's Message	4
Section I: Departmental Overview	6
Raison d'être and Responsibilities	7
Strategic Outcome and Program Activity Architecture (PAA)	8
PAA Crosswalk.....	9
Planning Summary.....	10
Contribution of Priorities to Strategic Outcome	12
Risk Analysis	16
Expenditure Profile	18
Estimates by Vote	18
Section II: Analysis of Program Activities by Strategic Outcome	19
Strategic Outcome.....	20
Program Activities by Strategic Outcome	22
Program Activity 1: Audiovisual Production.....	22
Program Activity 2: Accessibility and Audience Engagement.....	25
Program Activity: Internal Services.....	30
Section III: Supplementary Information	32
Future-Oriented Financial Highlights	33
Supplementary Information Tables.....	34



Minister's Message

The organizations in the Canadian Heritage portfolio work closely with partners all across the country to fulfill their mandate and achieve the Government of Canada's objectives regarding arts, culture, heritage, and citizen participation. I am pleased to present the 2011–2012 *Report on Plans and Priorities* prepared by the National Film Board (NFB).



In an era in which digital technology is changing the way that we create and consume cultural content, the NFB's unique role as public producer and distributor is essential. The NFB has gained worldwide recognition for the exceptional quality and relevance of its productions, and it is increasingly admired for the way that it takes advantage of the unparalleled possibilities offered by the digital revolution. As a key player in the digital economy's audiovisual sector, the NFB produces bold Canadian works that enrich all distribution platforms, making excellent use of their creative potential and unprecedented audience reach.

While maintaining a reliable and constant presence in conventional distribution and broadcasting, the NFB is investing in the Internet and mobile platforms to distribute its works and create forums for dialogue and discussion. These enable the NFB to reach out to Canadians in innovative and constructive ways, and encourage them to participate fully in society. Through collective experiences like these, the NFB contributes to the vibrancy of life in Canada, while helping make this country a world leader in creativity and innovation.

I am proud that the NFB is committed to pursuing its efforts to improve Canadians' quality of life and increase our country's cultural, social, and economic vitality. I invite everyone who wishes to have a better understanding of the responsibilities and activities of the NFB to get to know this report.

The Honourable James Moore, P.C., M.P.

Commissioner's Message

Over the last three years the NFB has transformed itself into a global leader in the volatile world of digital media. As Canada's public producer and distributor we have pioneered new ways of making a unique heritage collection available to Canadians; we have established new modes of creation which are setting the standards for the art and entertainment forms of the future; and we have developed new systems and ways of working in the digital era that greatly increases productivity and are attracting the attention of the world.

The next phase will involve solidifying our leadership as the prime laboratory for the digital future in creation, distribution, organizational structure and economic modeling. We will be adding another 300 full-length productions to the 1,600 already available. We will also see the development of more functionalities and user engagement in our on line Screening Room. We will build on the success of iPhone and iPad apps with applications for other mobile platforms including the Android and Blackberry.

We will develop and launch a dedicated educational Screening Room with an additional 450 titles as well as extensive pedagogic aids. For example, we have been working with teachers to map available works against curriculum province by province. Teachers will be able to bookmark works to move directly to that part of the work relevant to their lesson plan. And we will be making available teacher's guides on-line. Other features will allow teachers to unleash the full teaching potential of the digital world.

We will negotiate new online distribution partnerships and expand the number of NFB channels to broaden the reach of our work. Current partners include such high-traffic sites as YouTube, Hulu and MSN. For example, we are currently negotiating with one of China's major on-line video sites for a Chinese-versioned NFB site. Deals like this present Canada to the world and have the possibility of generating new revenues based on favourable revenue-share arrangements.

We will also be adding transactional capabilities to NFB.ca. This work will allow us to offer, for the first time, a download-to-own option for consumers (as often demanded by our viewers) as well as the potential to offer subscription and VOD services. The collection will continue to remain free by streaming. We are convinced that the "free-premium pay" model will work to help generate the revenues we need to sustain the work we are doing. Every penny earned is reinvested to provide Canadians with the important programming that cannot be done elsewhere.

Transactional capability will be the centre piece of a completely new business strategy that will see the NFB explore new business models and new partnerships in ways that the private

sector cannot. The experience gained and the lessons learned will be shared with the private sector.

On the production side 2011 will see the “coming out party” for major new forms of interactive creation. Already our works have begun to be acclaimed as heralding the future of audio-visual production and are being crowned with significant national and international awards. For example, recently France’s largest mass market media-related publication, *Telerama*, wrote of five interactive “pearls”, two from the NFB. This year, a whole slate of productions will be launched that will dazzle by their intensity, their form, their content. We will explore subjects as diverse as nuclear proliferation, mental health, environmental concerns in ways that integrate the creative potential of interactivity, social networks and geo-location.

Some of Canada’s greatest creators are turning to the NFB to have the freedom to do work that can’t be done elsewhere. Sarah Polley will be launching her first feature documentary. Paule Baillargeon experiments with animation and documentary to tell her most personal story ever. Lea Pool moves into the world of social documentary for a sharp-eyed look at corporate cancer charities. Work by Inuit and First Nations filmmakers from across the country will explode on multiple screens.

Our distinctive approach to digitizing our collection has caught the attention of major corporations like the BBC, Turner and Disney. We will begin implementing a bold new conservation plan to ensure that the NFB’s audio-visual legacy remains secure for future generations whether the traditional or interactive forms.

Serving Canadians remains paramount. I will continue my tour to connect with Canadians across the country; to hear from them their concerns and issues and to discuss ways in which public cultural institutions can better serve them.

We have set ourselves an ambitious agenda that will connect Canadians and the world to our audio-visual culture in unexpected and exciting new ways and that will make the NFB a pivot point for the success of the whole Canadian audio-visual ecosystem.

Tom Perlmutter

Government Film Commissioner and Chairperson of the National Film Board

SECTION I: DEPARTMENTAL OVERVIEW

Raison d'être and Responsibilities

The National Film Board is a federal agency within the Canadian Heritage portfolio, established in 1939 and mandated to produce and distribute original, innovative and bold audiovisual works that add to our understanding of the issues facing Canadians and raise awareness of Canadian values and viewpoints across the country and around the world.

Since its founding, it has offered valuable insights into Canada's richness and diversity through the exploration of contemporary social issues, with an emphasis on diverse, point-of-view documentaries; auteur, animation and now, new media. The NFB has also played an important role in marking the major changes and events taking place in Canadian society.

By supporting emerging filmmakers, members of diverse cultural and linguistic communities, Aboriginal communities and people with disabilities, the NFB ensures that its audiovisual works reflect the country's diversity and illustrates the changing cultural and social realities of Canada.

The NFB has opened new avenues for point-of-view documentaries, auteur animation and new media content and continues its creative thrust by exploring new horizons in the digital age. As a creative laboratory for innovation, it develops new formats and approaches to the storytelling of the future, ranging from digital creation and distribution to explorations in stereoscopic productions.

Canadian and world audiences now have access to the NFB's remarkable Canadian audiovisual heritage at NFB.ca, where viewers have unparalleled opportunities to view the rich collection of works that reflect Canada's culture and values. Access is immediate and on the platform of the viewer's choice. Moreover, by offering quality content to educational institutions in both official languages, the NFB contributes to conveying Canadian values to Canadian youth.

Through its production and distribution activities, the NFB strives to remain a dynamic, necessary and relevant cultural institution vital to all Canadians, in promoting Canadian content that encourages participation in cultural and community life and fosters active citizenship, helping support and strength the ties that connect Canadians.

For more information on the NFB, visit: <http://www.nfb-onf.gc.ca/eng/about-us/organization.php>.

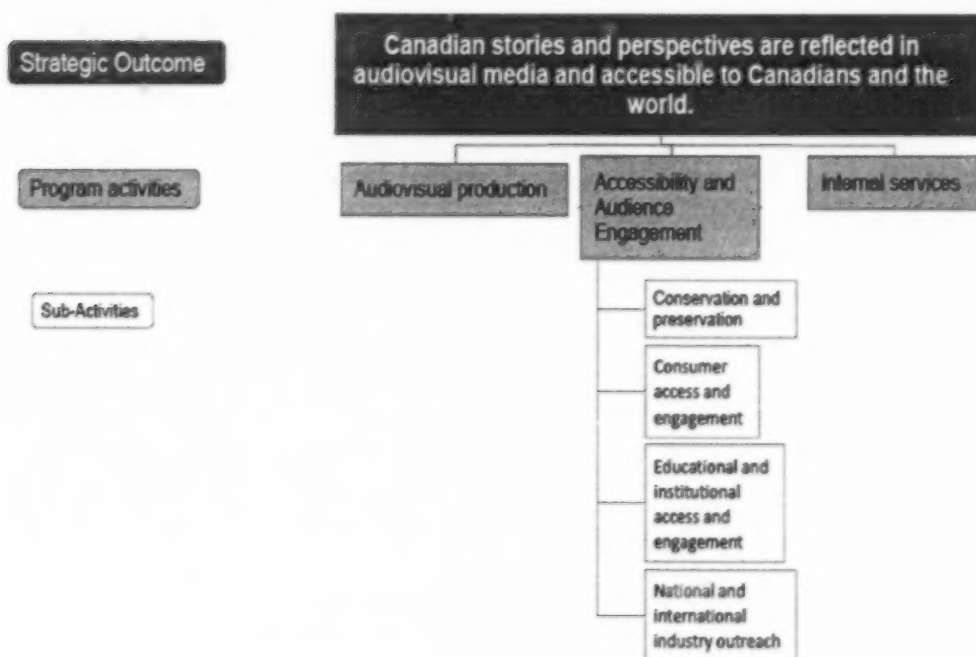
Strategic Outcome and Program Activity Architecture (PAA)

In pursuing its mandate, the National Film Board aims to achieve the following strategic outcome:

Canadian stories and perspectives are reflected in audiovisual media and accessible to Canadians and the world.

Program Activity Architecture

The chart below illustrates the NFB's program activities and sub-activities that contribute to its Strategic Outcome.



PAA Crosswalk

Program activity (\$ thousands)	2010-2011 PAA	2011-2012 NEW PAA			
		Audiovisual Production	Accessibility and audience engagement	Internal services	Total
Audiovisual Production	46,714	-3,699			43,015
Distribution, Accessibility and Outreach	12,733		3,170		15,903
Internal services	7,770			529	8,299
Total	67,217	-3,699	3,170	529	67,217

The New Program Activity Architecture is effective as of April 1, 2011. It comprises three program activities: **Audiovisual Production**, **Accessibility and audience engagement**, and **Internal Services**. The former program activity Production of Audiovisual works was renamed **Audiovisual Production**, while the second, **Accessibility and audience engagement** replaces the former program activity **Distribution, Accessibility and Outreach**. This second program activity has evolved to reflect the priorities of the Strategic plan and the changes in the global cultural industry. It includes new sub-activities fostering access and engagement for a wide variety of audiences and channels. It should be noted that all marketing activities related to audiovisual works and activities related to the national and international industry outreach formerly included in the Production of audiovisual works activity are now part of Accessibility and audience engagement. Internal services and its activities remain unchanged.

Planning Summary

Financial resources (\$ thousands)

2011- 2012	2012- 2013	2013- 2014
\$66,782	\$66,782	\$66,782

Human resources (Full-time equivalent – FTE)

2011- 2012	2012- 2013	2013- 2014
452	445	445

Strategic outcome: Canadian stories and perspectives are reflected in audiovisual media and accessible to Canadians and the world.	
Performance indicators	Targets ¹ By
Percentage of NFB audience indicating that NFB productions reflect Canadian stories and perspectives.	75% by March 31, 2012 for Canadian public survey Benchmark set by March 31, 2012 for NFB client survey
Percentage of audiovisual works exploring Canadian diversity.	80%
Percentage of completed productions exploring socially relevant issues.	75%
Trends in the availability of NFB works by platform. (new indicator)	Framework and benchmark set by March 31, 2011 Targets to be met by March 31, 2012

¹ The NFB's performance management framework (PMF) was revised according to the organization's new Program Activity Architecture. New indicators were introduced. Baselines for these new indicators will be established in fiscal year 2011-2012. The NFB expects to have longer term targets established by then.

Planning summary (cont'd)

Program Activity (\$ thousands)	Forecast Spending 2010-2011	Planned Spending			Alignment to Government of Canada Outcomes
		2011-2012	2012-2013	2013-2014	
Audiovisual Production	\$43,015	\$42,753	\$42,753	\$42,753	A vibrant Canadian culture and heritage.
Accessibility and audience engagement	\$15,903	\$15,778	\$15,778	\$15,778	
Total planned spending	\$58,918	\$58,531	\$58,531	\$58,531	

Internal services (\$ thousands)	Forecast Spending 2010-2011	Planned Spending		
		2011-2012	2012-2013	2013-2014
	8,299	8,251	8,251	8,251

Contribution of Priorities to Strategic Outcome

The NFB will channel its activities in accordance with the operational and management priorities in its 2008-2012 Strategic Plan. This Report on Plans and Priorities establishes the targets the organization plans to achieve during the planning period.

***Overall strategic outcome:** Canadian stories and perspectives are reflected in audiovisual media and accessible to Canadians and the world.

Operational Priorities	Type	Links to Strategic Outcome	Description
<p>Creative leadership and excellence in programming</p> <p>The NFB will exercise its leadership as a world reference point for innovation and creation of documentaries, and auteur animation, digital/new media content and other emerging forms for and across all platforms.</p>	Ongoing	* See Overall Strategic Outcome	<p>Why is this a priority?</p> <p>NFB works offer a Canadian point of view. Makes it possible for Canada to remain at the forefront of the cultural industry.</p> <p>Plans for meeting the priority</p> <p>Programming focusing on digital, multiplatform productions.</p> <p>Continue development of new formats and new types of narrative in the making and distribution of digital works.</p> <p>Continue and consolidate the identification, development and nurturing of filmmaking talent and skills among filmmakers from all parts of Canada and from a variety of ethno-cultural, Aboriginal and linguistic communities, as emerging filmmakers.</p> <p>The NFB will continue seeking out new partnerships with public and private sector organizations and leverage existing ones.</p>

<p>Wide accessibility and democratic engagement</p> <p>The NFB will make its work and the work of its partners readily and widely accessible to Canadian and international audiences on all relevant platforms.</p>	Ongoing	* See Overall Strategic Outcome	<p>Why is this a priority?</p> <p>Audiences rely on the NFB for access to high-quality Canadian content on all relevant platforms.</p> <p>Fosters social cohesion and citizen engagement, while broadening outreach.</p> <p>Important vehicle for conveying Canadian values to Canadian youth.</p> <p>Plans for meeting the priority</p> <p>Increase the offerings available at NFB.ca.</p> <p>Enrich the NFB's online presence with content syndication partners.</p> <p>Develop online products for the educational sector.</p> <p>Take a more effectively structured approach to marketing, with a greater focus on priorities.</p>
<p>Digital Transformation</p> <p>By continuing to implement its digital strategy, the NFB will ensure that it can deliver on its mandate into the future: in programming, distribution, accessibility, business development and conservation of its audiovisual heritage.</p>	Ongoing	*See Overall Strategic Outcome	<p>Why is this a priority?</p> <p>Extraordinary opportunity to produce innovative, interactive and relevant works.</p> <p>Makes it possible to digitize NFB works, thus facilitating accessibility in the diverse formats and supports chosen by Canadians.</p> <p>Digitization makes it possible to preserve the NFB collection for future generations.</p> <p>Plans for meeting the priority</p> <p>Continue providing technological support for interactive productions.</p> <p>Complete implementation of the digitization and digital archiving plan.</p> <p>Implement a fully digital production and distribution environment.</p>

Management Priorities	Type	Links to Strategic Outcome	Description
<p>Organizational renewal</p> <p>The NFB will become a model for the creative organization of the 21st century: a flexible, efficient and effective organization that is a crucible for creative innovation, values its employees, works in a timely and transparent manner with its stakeholders, delivers value to Canadians and takes initiative in implementing environmentally sustainable practices.</p>	Ongoing	*See Overall Strategic Outcome	<p>Why is this a priority?</p> <p>At the NFB creativity, innovation and efficiency are a priority, and are reflected in its management approach.</p> <p>To help the NFB and its industry partners be more competitive in today's ever-changing environment.</p> <p>Plans for meeting the priority</p> <p>Implementation of horizontal integration mechanisms across all NFB divisions.</p> <p>The Operations Committee will continue its coordination activities within the NFB.</p> <p>Provide NFB employees with opportunities for career development and advancement by providing technological training.</p> <p>Implementation of recommendations in the Management Accountability Framework for 2011-12.</p> <p>Continued efforts to reallocate resources with increasing efficiency for the digital shift.</p>

<p>Firm Financing</p> <p>The NFB continues to implement financial planning and control mechanisms to maximize internal efficiency; these include the measures of 2010 Budget on cost reduction as well as implementation of TBS's Directive on the Management of Expenditures on Travel, Hospitality and Conferences. It will seek new revenue-generating sectors, optimize its partnerships in such areas as marketing, and give new impetus to its conventional distribution activities.</p>	<p>Ongoing</p>	<p>*See Overall Strategic Outcome</p>	<p>Why is this a priority? To deliver on its mandate in the digital age, the NFB must have ongoing and stable funding.</p> <p>The new technologies that will make it possible for the organization to move to a fully digital production and accessibility environment require significant investment.</p> <p>Plans for meeting the priority The Institution will inform its employees on new cost reduction measures and changes to TBS's Directive on the Management of Expenditures on Travel, Hospitality and Conferences.</p> <p>The NFB will develop new business partnerships.</p> <p>The new transactional functionalities in the NFB.ca will make it possible to generate additional revenue.</p> <p>The NFB will implement a better-structured and more efficient marketing and distribution strategy.</p>
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Risk Analysis

The audiovisual industry is undergoing tremendous changes which, while stimulating, also require cultural industry stakeholders to make adjustments. Market fragmentation, increased supply, and democratization of access and participation are all new realities requiring adaptation, research, exploration and the search for solutions.

Film and television industry

The Canadian film and television industry is increasingly fragile, and both the NFB and its partners are experiencing the repercussions. The collapse of traditional broadcast models and the evolution and fragmentation of markets, leave fewer avenues available for broadcast and a tightening of licensing budgets

Conventional television revenues dropped by 7.4% in 2009². According to the Canadian Media Production Association's publication *Profile 2010*, "the total volume of Canadian documentary production dropped 14.1% to \$293 million in 2009/10. This decline was the third year in succession, and dropped documentary production levels to the lowest level since 2001/02.³" Moreover, foreign investment in Canadian productions has dropped considerably, decreasing from \$407 million in 2001 to \$196 million in 2008⁴, while co-production activities with foreign partners declined by over 50% in the same period.⁵

Though the NFB saw a 7% increase in overall revenues (all markets considered) for 2009-2010 compared to the preceding year, it still witnessed an 11% decrease in its revenues from public and private broadcasters. NFB forecasts anticipate another decrease for revenues in 2011-2012. In the coming year, the NFB will develop and implement new online sales platforms to mitigate the decline in its television revenues.

Distribution platforms

Content distribution is increasingly migrating towards mobile platforms and the Internet in audiovisual production. Canadians are watching more content – including made-for-television shows – on the Internet. Over 96% of Canadian households now have broadband Internet, and the demand for diverse content is increasing as fast as the use of multifunction devices spreads.⁶ In addition to allowing Canadians to watch what they

² CRTC Communications Monitoring Report (2010)

³ Profile 2010: An Economic Report on the Screen-Based Production Industry in Canada, CMPA

⁴ CRTC Communications Monitoring Report (2010)

⁵ CRTC Communications Monitoring Report (2010)

⁶ CRTC Communications Monitoring Report (2010)

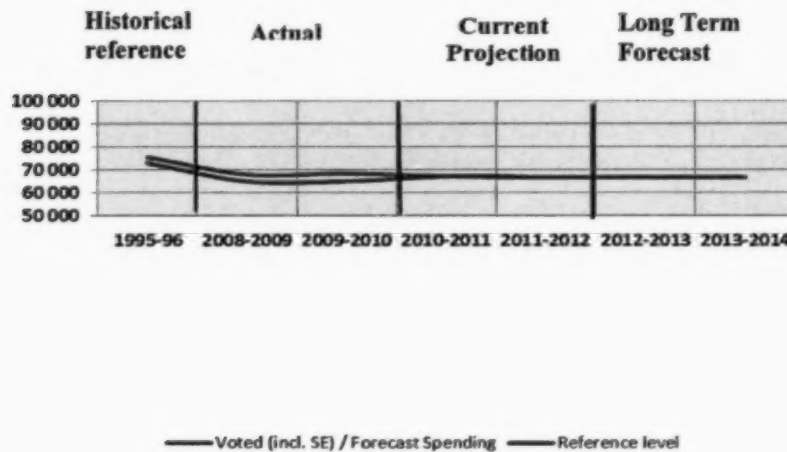
want when they want, broadband access gives them a greater variety of choices as to form, content and manner of consumption.

Digital technologies offer easier reach, and a much more efficient and effective delivery of cultural products to Canadians and to the world. There is an urgent need to provide Canadian content in a globalized digitized space that is increasingly dominated by foreign content. In this shifting environment, the NFB is enriching its presence on a wide range of platforms, and plans to adopt a more effective approach to accessibility so that it can reach audiences wherever they are.

In today's environment, it is essential that existing content, generated by the public and private sectors, be digitized and made readily accessible to Canadians. As the steward of a vast audiovisual heritage that has tremendous cultural value for Canadians, the NFB must continue digitizing its collection of over 13,000 titles so that the works can be preserved and remain accessible.

However, the cost of digitization, technological upgrades and rights management remain a challenge. The NFB must therefore continually examine its activities so that it can allocate its resources where technological needs dictate. In addition to a drop in its broadcasting revenues, the NFB is also experiencing an ongoing decline in its purchasing power as program costs rise. To put its financial resources on a sounder footing, the NFB will continue to implement financial planning and control mechanisms to maximize internal efficiency. It will seek new revenue-generating sectors, optimise its partnerships in such areas as marketing, and give new impetus to its conventional distribution activities.

Expenditure Profile (\$ thousands)



Estimates by Vote

Estimates by Vote are presented in the 2011-12 Main Estimates which are available here:
<http://www.tbs-sct.gc.ca/est-pre/20112012/me-bpd/info/info-eng.asp>.

Section II: Analysis of Program Activities by Strategic Outcome

Strategic Outcome

In pursuing its mandate, the National Film Board aims to achieve the following strategic outcome:

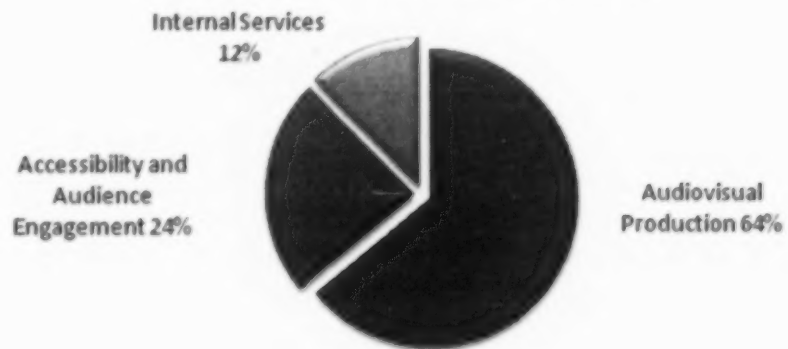
Canadian stories and perspectives are reflected in audiovisual media and accessible to Canadians and the world.

The NFB aims to achieve this strategic outcome through two main program activities: **Audiovisual Production; Accessibility and audience engagement.** The NFB will continue developing new formats and new types of narrative in the creation of digital works. The NFB provides ongoing support for the identification, and mentoring of talent and skills among emerging and experienced filmmakers from all parts of Canada and from a variety of cultural, Aboriginal and linguistic communities.

The NFB uses new technologies to facilitate and broaden access to its own and its partners' works in both official languages for Canadians in all parts of Canada, while consolidating Canada's presence in the digital environment through its world-renowned brand. To reach audiences, the NFB will increase its offerings on NFB.ca, and enrich them through syndication and by developing online products for the educational sector.

By producing relevant, bold and innovative audiovisual works, the NFB makes it possible for Canada to remain at the forefront of the cultural industry while providing Canadians with distinctive audiovisual content that contribute to a better understanding of our country.

**2011-2012
Distribution by Program Activity**



Program Activities by Strategic Outcome

Program Activity 1: Audiovisual Production					
Human Resources (FTEs) and Planned Spending (\$ thousands)					
2011-2012		2012-2013		2013-2014	
FTE	Planned spending	FTE	Planned spending	FTE	Planned spending
255	\$42,753	255	\$42,753	255	\$42,753

Program Activity Expected Results	Performance Indicators	Targets
<p>The NFB's audiovisual works are innovative and reflect a diversity of Canadian stories and perspectives.</p> <p>Emerging and established Canadian filmmakers and media makers at the NFB represent Canada's diversity and have a voice in the audiovisual world.</p> <p>Events of national historic and cultural significance promoting Canadian culture and values include NFB participation.</p>	Percentage of Canadian public that perceives the NFB as an innovative, creative institution.	65% innovative by March 31, 2012 75% creative by March 31, 2012
	Percentage of completed audiovisual works by culturally, regionally and linguistically diverse filmmakers, Aboriginal filmmakers and people with disabilities.	50% by March 31, 2012
	Percentage of completed audiovisual works by emerging filmmakers (including talent-nurturing initiatives) Criteria for emerging: 1st, 2nd and 3rd film.	40% by March 31, 2012
	Number of emerging filmmakers who completed an NFB audiovisual work.	50 by March 31, 2012
	Numbers of participants in talent-nurturing initiatives:	250
	Number of productions for major national and international projects. (new indicator)	Target to be established by March 31, 2012

Planning Highlights

The NFB produces original, innovative audiovisual works that reflect the diverse perspectives of filmmakers and communities that make up this country. This program activity makes it possible to produce works that the private sector doesn't, allowing creators to explore artistic and technological advances in form and content. It also promotes Canadian culture and values in events of national historic and cultural significance.

As a leader in the creation of innovative Canadian digital content, the NFB will produce in a series of interactive works in all its areas of interest, including Web documentaries, unique interactive experiences, and animated films. These productions will include the animated film *Burquette*, a coproduction with Cirrus, and *Planet Zero*, an interactive documentary and mobile application by director Kevin McMahon and interactive designer Pablo Vio. Some of the productions will be in Stereoscopic 3D format, including Marc Fafard's feature documentary *Les ailes de Johnny May* and the experimental short film *Lost Action*, by directors Philip Szporer and Marlene Millar, made in cooperation with well-known choreographer and dancer Crystal Pite.

The NFB will produce a number of projects whose themes will illustrate various aspects of Canadian Aboriginal culture. These projects include *Angry Inuk*, a made-for-television production by emerging Inuit filmmakers Stacey Aglok Macdonald and Alethea Arnaquq-Baril, which will examine the importance of seals in Inuit communities. The emerging filmmakers program "Stories from Our Land," established in cooperation with the Nunavut Film Development Corporation, will give creative artists from the North an opportunity to express their point of view and their cultures, in Inuktitut, through film and new media, to the people of their own communities.

To ensure that Canadians have access to this diversity of voices and content in both official languages and to promote Canadian culture and values, the NFB is dedicating resources and efforts in several high-profile projects. It will be participating in the new exhibition on Aboriginal people to be held at the Musée de la civilisation de Québec, in Quebec City, project developed in partnership with the Museum and UQAC. The NFB has also initiated a process of reflection on the presence of French-language in the digital age, and established an action plan to enhance the visibility of NFB's French-language audiovisual heritage nationally and in Francophone communities. Among other initiatives, the plan comprises two interactive projects in 2011-2012: *Parlez-vous encore français ?*, developed in partnership with the University of Moncton with support from the Canada Interactive Fund, and *Mondoc.ca*, co-produced with partners from the Ontario health network, the Assemblée de la francophonie de l'Ontario and TFO.

On an ongoing basis, the NFB seeks out talented Canadian emerging and established artists and media-makers interested in experimenting with the creative application of digital technologies and interactivity as it relates to story, expression and community. To that end, two new filmmakers will be in residence at the NFB for two years, beginning in September 2011, to develop and produce their projects in a stimulating environment that emphasises creativity and innovation. In addition, well-known director Lea Pool will complete *Pink Inc.*, a feature documentary tracing the history of breast cancer and the movements associated with it.

The NFB will continue seeking out new partnerships with public and private sector organizations in Canada and other countries. Partnerships include the Canadian Museum for Human Rights, a cooperation agreement between the NFB and Brazil (signed with the Brazilian Ministry of Culture's Audiovisual Secretariat for an interactive multiplatform project), and a partnership with Shorefast of Newfoundland, where the NFB is participating in a project to revitalise Fogo Island with the help of artists committed to training the next generation.

Benefits for Canadians

Through this program activity, the NFB seeks to foster the exploration of contemporary social issues, raise the awareness and understanding of Canadians and other nations about Canada, and help Canadians connect with one another.

The NFB serves Canadians by producing the rich and diverse cultural content that reflects Canada's rapidly shifting demographic profile and which cannot otherwise be easily produced. NFB works are a testament to Canada's diverse voices and content in both official languages, as well as to the country's creative investment in new technologies.

As Canadians' media consumption migrates online, the NFB develops new formats and approaches to the storytelling of the future, ranging from digital creation and distribution to explorations in stereoscopic productions. It provides leadership in the creation of innovative digital content in both official languages and contributes to a dynamic and competitive digital media industry, and to the acquisition of a broad range of skills that will benefit all Canadians.

Program Activity 2: Accessibility and audience engagement					
Human Resources (FTEs) and Planned spending (\$ thousands)					
2011-2012		2012-2013		2013-2014	
FTE	Planned spending	FTE	Planned spending	FTE	Planned spending
140	\$15,778	140	\$15,778	140	\$15,778

Program Activity Expected Results	Performance Indicators	Targets
Canadian and international audiences have access to and are engaged by Canadian culture and heritage.	Percentage of Canadian population who viewed an NFB production.	70% by March 31, 2012 A second baseline will be introduced by March 2012 for Canadian population who viewed an NFB production <i>in the last 2 years</i> .
	Total number of Canadian audience views by channel.	30 million by March 31, 2012
	Total number of International audience views by channel. (new indicator)	Online International target set by March 31, 2013 at 25% increase from 2010-11 totals (baseline). Offline/Traditional channels: framework and baseline to set by March 2011 , with targets by March 2012
	Total number of views by level of engagement. (new indicator)	Framework and baseline established by March 31, 2012 Targets met by March 31, 2013

Planning Highlights

Conservation and preservation

NFB productions, regardless of the work's original source, are preserved and digitized in order to ensure their permanence and their accessibility to Canadians and the world, now and in future generations. This activity reduces the risks of technological obsolescence, minimizes the effects of time on the media on which works are recorded, and guarantees the physical security of works. Preservation and conservation require suitable tools and systems for identification, management, archiving and restoration. As Canadians' media consumption migrates on-line, it is imperative that high quality innovative Canadian content is available to them. Without a concerted conservation and preservation activity, this cultural heritage is at risk of loss.

The NFB will implement a conservation plan for its audiovisual assets. The plan consists in relocating at least one first-generation source of every single work to a different geographical site. In 2011-2012, the NFB will relocate some 64% of its audiovisual assets, and complete the implementation of its digitization and digital archiving plan. Once that is done, it will be able to generate, on demand, a digital source master (DSM), a digital master (DM) and a mezzanine file for each of its works. The NFB also plans to provide a simplified and more efficient version of its digital archiving system.

In addition, the NFB plans to automate a number of workflows to increase the number of digitized works for which a DSM is created. The goal is to make an DSM for every work in our collection within four years. In the same vein, continuing to implement the NFB's digitization plan will make it possible to meet a variety of accessibility needs, and to seize emerging business opportunities more effectively. The organization will also deploy a digital media asset management (MAM) system in 2011-2012, making it easier to manage our digital assets more effectively, and facilitating reuse to meet the accessibility needs of Canadians.

Consumer access and engagement

This sub-activity delivers Canadian audiovisual works to Canadian and international consumers. It exists to allow individual consumers to access and engage with Canadian cultural products that reflect our history and values and that interpret Canada to Canadians and to other nations. In so doing, national and international consumers share in a dynamic Canadian culture and heritage. Delivery mechanisms include the distribution, marketing and commercialization of audiovisual works via a diverse catalogue, the development of diversified markets and channels, i.e.: theatrical, television and Internet/mobile and hard goods in Canada and abroad.

In the coming year, the NFB plans to increase the number of audiovisual works available in its NFB.ca online screening room. Productions on a variety of digital platforms—including an even broader range of smartphones— will increase to 2,300⁷. The screening room will also have new paying download functionalities. At less cost than the purchase of a DVD, consumers in Canada and other countries will be able to download a digital copy of an NFB work, and view it on the platform of their choice. In addition to increasing the dissemination and accessibility of its works while generating additional revenue for its activities, the NFB will increase the number of agreements with content aggregators, particularly organizations such as Rogers, MSN, Daily Motion and Hulu.

These efforts to increase the accessibility of NFB works will go hand-in-hand with initiatives designed to improve the organization's engagement with client groups. The NFB will implement a strategy to measure and increase consumer loyalty. The strategy will also cover institutional and international clients as well as the consumer market. The goal is to increase the number of online viewings, as well as Internet visitors' engagement with the NFB's interactive productions.

Lastly, the NFB will prepare a DVD box set on the Inuit nation, in addition to creating a dedicated website that will bring together all works with Inuit themes or made by Inuit filmmakers. The project, which will bring together a large number of local stakeholders, is intended to help Canadians from the south gain a better understanding of the Inuit. The NFB would also like to distribute the box set to every Inuit household in Canada, as well as to numerous schools throughout the country.

Educational and institutional access and engagement

This sub-activity enables Canadian and international educational and institutional groups to provide Canadian cultural products and their inherent values to their members and students. It supports the distribution and the use of Canadian audiovisual works and content, which include educational workshops and pedagogical activities to Canadian and international educational and institutional audiences. NFB productions and content must be widely accessible, promoted and distributed to Canadian and international Educational markets (teachers, schools, school boards, colleges, universities and ministries of education) , as well as Institutional markets (public libraries, social and health services, community and cultural associations and businesses) to engage Canadian youth and to support their educational activities. Delivery mechanisms include the distribution, marketing and commercialization of audiovisual works via a diverse catalogue, the development of diversified channels, i.e.: Internet, mobile and hard goods in Canada and abroad.

⁷ This number includes full-length films, clips and film trailers.

In the next fiscal year, the NFB will increase the number of works available exclusively in the online screening room for schools. Over 450 new titles tied into the school curriculum will be available to subscribers. The titles will be accompanied by a broad range of associated content, such as lesson plans, suggestions for in-class activities, and educational workshops for students and teachers. At the same time, subscribers will be able to use new download functionalities on NFB.ca.

To round off the range of educational workshops offered at Toronto's Mediatheque and Montréal's CineRobotheque, the NFB will develop and launch a series of online workshops that will demystify digital media for Canadian youth. By moving its workshops to an online platform, the NFB will be able to reach many more participants across Canada.

National and international industry outreach

Through this sub-activity, the NFB enables the Canadian and international audiovisual industry to participate in the promotion of Canadian culture and heritage via private and public sector partnership.

These partnerships facilitate the exchange of knowledge and creativity, and encourage cooperation with major Canadian and international festivals and markets, including MIPTV, MIPCOM, the Banff Television Festival, Hot Docs, *Les Rencontres internationales du documentaire de Montréal*, CMPA Primetime and Sunny Side of the Doc. They also foster participation in discussions, round tables, competitions and award ceremonies.

During 2011-2012, the NFB will organize a variety of outreach events to exchange with key stakeholders in the Canadian and international film and television industries.

On the international stage, the NFB will take part in the 2011 editions of MIPTV and MIPCOM, held in Cannes each year. These trade shows give the NFB an opportunity to interact with various stakeholders in the international industry, including producers, distributors and buyers. Both events increasingly highlight digital media productions and forms of digital access, particularly through the Internet.

Activities also include the marketing and promotion of NFB audiovisual works and thematic compilations in major national and international festivals/markets as well as events of significance (such as Oscars nominations, World Expositions, Quebec City's 400th anniversary), and the marketing and promotion of retrospectives of the NFB and its notable filmmakers. The year 2012 is an important milestone for the NFB, because it marks the 100th anniversary of the birth of Norman McLaren, a defining figure in animated film in Canada and throughout the world. At present, the NFB is engaged in

talks with a number of partners to organize a retrospective of Norman McLaren's works, and of his pioneering career in animated film.

The NFB would also like to work with the Annecy International Animation Film Festival to arrange a 3D program that would recognize the NFB's contribution and expertise in the field, and present the NFB's most recent works.

Lastly, through our cooperation agreement with Brazil, we and our Brazilian partners would like to organize a series of workshops and seminars on the works of documentary filmmaker Pierre Perrault.

Benefits for Canadians

By facilitating access to its works and engagement with its audiences, the NFB contributes actively to provide Canadians with high-quality Canadian cultural content. The large-scale distribution of NFB works contributes to learning, stimulates social dialogue, and fosters a vibrant civil society. It also increases the NFB's recognition and visibility in Canada and abroad.

With its unprecedented migration to new technologies, the NFB contributes actively to defining a digital economy for Canada, and thus supports the Canadian government's priorities in this area. For example, the NFB's conservation and preservation efforts are at the leading edge of technological advances in the field, and are recognized as such by major industry stakeholders. And ongoing implementation of the digitization and digital archiving plan will serve as a cornerstone for the NFB's accessibility activities.

The digital revolution provides a wealth of opportunities for the NFB to serve Canadians by making its rich collection and ongoing productions available when and where Canadians want to see them, on the platform of their choice. The NFB's online viewing space at NFB.ca with its new integrated transactional functionalities is an excellent example of the NFB's expertise, while its popularity shows clearly how well it has been accepted by users in Canada and the rest of the world.

The digital shift gives the NFB an unprecedented opportunity to connect with young Canadians. Eager users of new mobile technologies, Canadian youth is looking for innovative and stimulating content. The NFB can meet that need by delivering stories that are relevant to them, in both official languages. This program activity also allows the NFB to renew its content offerings for students and schools. Over the next year, Canadian students will be able to access some of the content in a rich and fully digital learning environment, wherever and whenever they choose.

Program Activity: Internal services					
Human Resources (FTEs) and Planned Spending (\$ thousands)					
2011-2012		2012-2013		2013-2014	
FTE	Planned spending	FTE	Planned spending	FTE	Planned spending
50	\$8,251	50	\$8,251	50	\$8,251

Planning Highlights

Organizational renewal is a priority of the NFB's Strategic Plan. The NFB needs to be flexible, efficient and forward-thinking if it is to rise to the many technological challenges ahead, and seize the opportunities that the digital economy offers.

In 2011-2012 the NFB will continue consolidating its new structure and establish integrated work teams to facilitate workflows throughout the organization. As it did last year, the Operations Committee will contribute to more effective horizontal management in NFB operations. In the next fiscal year, it will play a more important role in the application of government policy, accountability and reporting. It will also act as an advisory committee for a number of large-scale projects, such as the implementation of a media asset management. All its priorities are aimed at improving operations, and maximizing the use of the NFB's Parliamentary appropriation.

The technological challenges facing the NFB require its human resources to have leading-edge skills and expertise. The NFB recognizes that training, in addition to meeting operational needs, contributes to the development and advancement of its employees. In fiscal 2011-2012, the NFB will continue to focus on training in new production and accessibility technologies, particularly for 3D projects. To that end, the NFB will prepare an integrated training plan for all its divisions, thereby maximizing resources and reducing potential duplication.

In 2010-2011, the NFB completed the operational and technical plan to move the Montreal office to a more central location that will better reflect the NFB's innovative and creative nature. In cooperation with Canadian Heritage and PWGSC, the NFB presented its relocation project to a number of senior officials with central agencies and this process will continue during the next year.

FINANCIAL MANAGEMENT

In response to the cost control measures in the 2010-2011 Budget, the NFB has established effective control and monitoring mechanisms to comply with government requirements. IT will implement applicable government financial policies, and ensure that the new requirements are integrated into the NFB's complete cycle of financial operations.

MANAGEMENT ACCOUNTABILITY FRAMEWORK

In the fall of 2010, the NFB underwent Round VIII of the Management Accountability Framework. That exercise, in which the organization reviewed its management activities, provided a unique opportunity for us to validate our methods and processes. Once the results of the review are in, the NFB will take the measures needed to implement the suggested improvements.

INVESTMENT AND PROJECT MANAGEMENT POLICIES

In 2011-2012, the NFB plans to establish new investment planning and project management policies. It has implemented the framework to comply with the new policies, and will now develop an investment program aligned with its capitalization plan.

Benefits for Canadians

The Internal Services program activity provides efficient and effective support for production and accessibility programs. It contributes to sound corporate governance and management of the NFB's strategic and operational activities. Moreover, it establishes the support and monitoring tools needed to ensure that Canadians benefit fully from the advantages NFB activities have to offer.

In complying with Canadian government requirements for the sound management of public funds, the NFB plays a role in making more effective use of the resources it is allocated, and contributes to public-sector leadership in the areas of accountability, transparency and efficiency.

Section III: Supplementary Information

Future-oriented Financial Highlights

NFB future oriented financial statements are available by clicking on the following link:
<http://www.onf-nfb.gc.ca/medias/download/documents/pdf/nfb-future-oriented-financial-statements-2011-2012.pdf>

Future-oriented Condensed Statement of Operations

For the Year (Ended March 31)

(\$ thousands)

	% change	Future-oriented 2011-2012	Future- oriented* 2010- 2011
Expenses		\$ 75,493	\$74,976
Total Expenses	0,7	\$75,493	\$74,976
Revenues		\$6,124	\$5,482
Total Revenues	11,7	\$6,124	\$5,482
Net Cost of Operations	-0,2	\$69,369	\$69,494

Highlights

Operating expenses show an increase of \$517,000 in large part due to the costs of the Inuit DVD box set initiative and the creation of a dedicated website that brings together all works with Inuit themes or made by Inuit filmmakers. Through the support of various partnerships, this initiative will increase NFB revenues substantially. Essentially, it explains the 12% growth in revenues shown above.

Supplementary Information Tables

All electronic supplementary information tables found in the 2011–2012 Report on Plans and Priorities can be found on the Treasury Board of Canada Secretariat's web site at: <http://www.tbs-sct.gc.ca/rpp/2011-2012/info/info-eng.asp>.

- Table 6: Sources of Respendable and Non-Respendable Revenue
- Table 10: Statement of Operations and Projected Use of Authority